

# EXECUTIVE DIRECTOR'S MONTHLY REPORT

APRIL 2006

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Each month I establish, with input from the Directors, the priority issues on which management and the staff focus. This report summarizes the work that was accomplished during the month as well as other items I feel will give the Council a better understanding of what the staff and I are doing to accomplish our performance objectives.

## I. Improve the efficiency and accountability of management within the organization

- We have been working with KPMG to complete the Annual Audit for Fiscal Year 2004-2005. The RC has been advised in the past of the delay due to a restatement of compensated absences in prior years. During the extensive internal review by KPMG due to this restatement, they have discovered two additional items that also may require restatement. We are continuing to work with KPMG to provide additional information and hope to have a completed audit by May.

## II. Provide support to the Regional Council in providing direction and leadership to SCAG

- On March 2nd I was the guest speaker for KB Homes' Community Advisory Board. I spoke on how the Global Gateway Regions are evolving nationally and, the implications on Southern California, particularly the Inland Empire.
- On March 3rd I gave a presentation on Infrastructure and Transportation needs to the West Covina Chamber of Commerce. The business community is particularly interested in the 2% Strategy and how West Covina can participate in the High Speed Corridor linking LA to Ontario.
- On March 15th I attended the California Institutional Investors Conference in San Francisco. I participated on a panel titled "California Infrastructure: Challenges Today and Tomorrow". Steve Heaney, Stone & Youngberg, was the moderator. The other panelists were Doug Kimsey, Director of Planning, MTC, and Barbara Goodwin, Executive Director, Fresno Council of Governments. I emphasized the need for the market to participate in the effort to get Public/Private Partnerships established as vehicles to help fund and build the transportation system in Southern California.
- On March 16th President Toni Young, myself, Jim Gosnell, and Bert Becker met with Sid Tyler, Carol Herrera and Dave Spence of San Gabriel Valley COG, at their request, on the status of Caltrans' audit response from the San Gabriel Valley. We discussed how we could provide input for their response to the Caltrans draft audit, if the subregion so requested. We were requested to describe our invoice review process which we gave to them.
- On March 24th I met with David Freeman, President of the Los Angeles Harbor Commission, and on March 27th I met with Jerilyn Mendoza, Vice-President of the Commission on a Regional Goods Movement Strategy and Air Quality. We discussed how the goods movement investment program in the RTP coupled with the technology alternatives that SCAG has considered in the past could address both the port access and air quality, and community impact issues facing the ports. I agreed to work with Geraldine Knatz, the LA Port Director to bring such a program to their Commission.
- On May 24th I conducted an orientation briefing with Councilmember Jose Huizar, City of Los Angeles.

### III. SCAG Operations

- Business Operations. Bonnie Verdin, the new Business Operations Supervisor, started on April 4, 2006.
- Recruitments. The second interviews for the top three CFO candidates were held on March 22nd. We are in the final stages of the process for the top candidates and expect to announce a selection in April. The first panel interviews for the Manager of Finance were held on April 5th. Second interviews will occur in April with a selection expected shortly thereafter.

Several other recruitments are underway. Human Resources and planning staff participated in a Job Fair at USC on March 29th and will participate in the UC Irvine Job Fair on April 6th.

- Training and Development/Professional Pathways. Wellness training continues with conducting a quarterly Audit in March and weight related issues in April. A financial planning educational series started in March and will continue throughout the year. A new leadership/supervision development series continues and is available to all SCAG staff. Completion of the ten class series will count towards minimum supervisory experience requirements for SCAG positions. All ten classes will repeat several times in the next eighteen months allowing all staff to participate.

### IV. Implement Adopted Regional Plans

- Compass. We are pleased to announce that we've completed the first round of selections for the Compass Blueprint Demonstration Projects. We have entered into partnerships to work on a variety of local plans and projects supporting the Compass principles throughout the region. The first round partners include Compton, Los Angeles County, Montclair, Ontario, Rolling Hills Estates, San Bernardino and Western Riverside Council of Governments. We have received additional program resources through the State Blueprint Grant Program, so I urge you to apply for our next round of funding.
- Goods Movement. Building upon previous discussions amongst the CEOs of the County Transportation Commissions and SCAG regarding institutional arrangements needed to implement Goods Movement Projects, the CTCs have asked SANBAG to take the lead in coordinating development of a Memorandum of Understanding among the counties. This MOU will form the basis of the institutional arrangements needed to support early steps in implementing goods movement infrastructure plans.
- Aviation. On March 6th I gave a presentation to the City of Los Angeles Board of Airport Commissioners on the agency's Long-Range Regional Strategy for Aviation. This was a response to a request from the Commission for more information on the long-range component of the strategy, subsequent to a presentation I gave to the Commission in January on the basis for the strategy that focused on the short-range component. The Commission welcomed the information and expressed their commitment to work with SCAG in implementing the strategy.

### V. Develop Additional Planning Efforts

- RHNA. A joint policy committee workshop on RHNA is planned for the April meeting to review implementation and legislative strategies, including a RHNA Pilot Program proposal to meet State

mandated housing requirements for the SCAG region. Linking the Compass Blueprint program with long range transportation and housing planning in ways not envisioned by current RHNA law presents a major challenge for the Regional Council. Feedback on key elements of the proposed RHNA strategy is critical if there is to be a collectively successful effort by local governments in our region to support a new Regional Housing Needs Planning approach. The 6th Annual Regional Housing Summit, scheduled for Thursday April 20, 2006 at the Toyota Meeting Hall in the City of Torrance will be a kick-off event for this new initiative.

- Forecasting. Forecasting staff continue to work with subregions/local jurisdictions seeking inputs to the 2007/08 RTP growth forecasts. Staff will start to present the methodology, assumptions, and preliminary draft baseline forecasts of population, households, and employment for the region and SCAG counties. The draft baseline forecasts, scheduled to be released by June, will incorporate inputs and comments from the P&P Technical Advisory Committee, Panel of Experts, and counties/subregions/local jurisdictions.
- Energy. SCAG presented the Southern California Energy Conference: Our Energy Future on March 10, 2006. Over 150 participants heard from international experts on the mounting liquid fuels problem as well as mitigation measures and alternatives. Staff will continue to explore issues raised at the conference through the Energy Chapter in the Regional Comprehensive Plan process.

SCAG has been working with Southern California Edison (SCE) to enter into a pilot partnership that would implement the San Gabriel Valley Energy Efficiency Program (SGVEEP) through 2008. SGVEEP is a proposed energy efficiency partnership program between SCAG, SCE, and several cities in the San Gabriel Valley. The targeted cities include: Covina, West Covina, Industry, Glendora, La Verne, San Dimas, Diamond Bar, Walnut, and Pomona. Additional cities can become involved in the program based on the availability of funds. The program would consist of several components centered on energy efficiency and energy education. The program is funded at \$1.7 million, and its primary purpose is to allow city facilities to lower operating costs and achieve permanent load reduction by improving energy efficiency in new and existing facilities .

## **VI. Data & Planning Methods**

- Training Sessions on Hazard Assessment and Mitigation. On February 22 and 23, 2006, SCAG hosted the Southern California HAZUS User Group meeting and two HAZUS-MH training sessions. HAZUS-MH is a multi-hazard risk assessment and loss estimation software program developed by the Federal Emergency Management Agency (FEMA). HAZUS-MH is designed to help communities and regions prevent natural hazards from becoming natural disasters and to minimize damage and loss of life. HAZUS-MH is a powerful risk assessment tool for analyzing potential losses from floods, hurricane winds and earthquakes. HAZUS-MH can prioritize potential losses so that outreach activities can be focused on areas with the greatest needs. Attendees included emergency managers and responders, corporate and government planners and analysts, scientists, engineers and others working to reduce natural disaster vulnerability.

- HPMS Training Workshops. In coordination with Caltrans, SCAG hosted training workshops in its Los Angeles and Riverside offices on the Highway Performance Monitoring System (HPMS) during March 7-9, 2006. Workshop attendance totaled more than 130 representatives from local jurisdictions, county transportation commissions and other stakeholders. The workshops provided a technical review of the HPMS program, highlighted its significance, and discussed potential enhancements for local and regional planning. Since the workshop, staff has also been meeting with representatives from the MTA and Caltrans to pursue collaborative efforts to improve the HPMS. Also since the beginning of this year, staff has coordinated the collection of HPMS data from local jurisdictions for Caltrans. The data collected will be used by Federal agencies for assessing the nation's highway conditions and funding allocations.
- Travel Model Improvement. Cambridge Systematics Inc. has completed revisions to the new Travel Forecasting Model based upon comments of the federally-sponsored expert review panel conducted in January 2006. Caliper Corporation has incorporated these revisions in the microcomputer-based TransCAD application software. Staff will now proceed with a intensive series of validation checks to calibrate the model to regional travel patterns. This model will be used in future studies of transportation system improvements, mobile source emissions analyses, and the Regional Transportation Plan.
- Data Release Activities. Staff has implemented an initiative for data, maps and interactive computer demonstrations to be released coinciding with regionally significant SCAG conferences and workshops. As part of the initial strategy rollout, maps were produced for the Energy Conference held in March 2006. The maps depict alternative fuel locations (e.g. electric, natural gas, biodiesel, etc.) within the SCAG region. In the upcoming months additional products and demonstrations will be provided for the Housing Summit, SCAG General Assembly and Regional Council Retreat.
- Brown Bag Lunch Series on Planning Application Tools. As part of our efforts to educate planning staff and interested individuals on the capabilities and data available through the Data & Monitoring division, staff has initiated a Brown Bag Lunch series. These monthly lunches provide a forum for the dissemination of planning tools such as ArcGIS and databases available to staff to assist with their planning activities. In addition, selected outside stakeholders will be invited to discuss leading edge technologies that staff may be interested in utilizing.

## VII. Legislative Program

- Sacramento Day. A delegation of Regional Council members went to Sacramento where they met with legislators and staff of both parties in the Senate and Assembly, regarding SCAG's initiatives and priorities for the State legislative bond bills.
- The key points that we emphasized in our meetings with legislators were:
  - to pass an infrastructure bond proposal by the June deadline, rather than waiting for November, in order to capitalize on the momentum in Sacramento
  - to emphasize the allocation of goods movement funds be based on volume of goods and system performance

- to fully protect Proposition 42 funds, either through a complete protection in the form of a constitutional amendment or more flexible protection that permitting limited use of Prop 42 funds once or twice in a 10 year period

The Southern California legislators of both parties were supportive of these ideas and agreed that Southern California bears a greater burden from goods movement and should get a proportional share of funding. Further, legislators agreed with protecting Prop. 42 funds, but seemed more receptive to the flexibility offered by a proposal permitting access to the funds on a limited basis provided they are paid back in a timely manner.

- State Infrastructure Bonds. Currently, all efforts to place a bond initiative on the June 2006 ballot have failed. In addition, there appears to be consensus forming in Sacramento that a November infrastructure bond initiative will be difficult to achieve. SCAG will continue to work with Sacramento on our priorities and is seeking to find viable legislative alternatives.
- California Reception. The 2006 California Tea Party Reception took place in Washington, DC on March 7, 2006. There were several members of Congress in attendance, including Congressman Mike Honda (CA-15), Congresswoman Juanita Millender-McDonald (CA-37), Congresswoman Ellen Tausher (CA-10) and Congressman Xavier Becerra (CA-31). Major national associations and federal agencies were also represented, including Hon. Norman Mineta of the US Department of Transportation. Furthermore, several members of SCAG were in attendance including Hon. Art Brown, Hon. Cassie DeYoung, Hon. Bonnie Lowenthal and Hon. Alan Wapner.
- Congressional Field Hearing. As a result of our recent Southern California Consensus Trip to Washington, DC, the House Transportation and Infrastructure Subcommittee on Aviation held a field hearing in Corona, California on March 20, 2006. Congressman John Mica (R-FL), Congressman Ken Calvert (R-CA) and Congressman John Campbell (R-CA) conducted the hearing which was focused on "Meeting Future Aviation Capacity Needs in Southern California." Witnesses for the hearing included Mr. William C. Withycombe of the Federal Aviation Administration, Mr. Will Kempton of the California Department of Transportation, Jim Ritchie of the Los Angeles World Airports (LAWA) and myself testified on the aviation capacity restraint issues projected by our 2004 RTP.

My recommendation to the Committee included:

- Funding support for airports in "global gateways" like Southern California
- Funding support for modest capital improvements to individual airports
- Allowance of proportional share funding contributions from airports and major activity centers to help finance development of high-speed ground access options
- Greater flexibility in funding allocated to mitigate the community impacts of airports, including changes to landing fees that give airlines greater incentives to utilize cost-effective air and noise emission reduction technologies

We will continue to work closely with Congress and the Federal Department of Transportation to address the challenge of meeting the future airport demands of Southern California.